G. R. S. IX-5]

Previous references.

Def 323-425-26,

G7 File No. 6-21

1921.

Serial Nos. 35

(G7)

Later references.

G.7.33-24 15,26,33

Reserve
Jun
27.10.21

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1

Part B for July 1921

SUBJECT.

Investment of Provident Fund Balances in the New State Loan of 1924.

To

The Controller Mysore Gazette
No. 7301 of 22.7.21.

Permits the investment in the new Loans of 1921 of balances to the credit of subscribers in the State Provident Fund on the conditions noted thereon.

WD 2233—GPB—20,000—14-6-20

22.7.21

Invest of Pro Fu
into
20%
21

G. R. S. III-21

General and Revenue Secretariat.

9 2 File No. 6 of 1921.

Serial No.

The investment of Provident Fund balances in th 6¼% Loan was permitted. The same concession is likely to be applied for by the subscribers of the ~~Provident~~ Fund in connection with the loans lately announced. Conversion of Provident Fund balances into the Loan Bonds does not bring us any fresh money. In the case of balances due for payment in the near future we are saved a little strain on the treasury. As with the -- conversion of the balances into bonds, the amounts from which advances could be obtained are reduced, there is also some little relief by way of limiting demands for advances. Considering that the advantage to Government of permitting the investment of Provident Fund balances i loan bonds is not much, it is undesirable to permit - investments in the 7% loan. I think it is enough to allow investment in the long-term 6½% loan; as such investment has been permitted in respect of our last loan and also of the War Bonds of the Government of India, it may not be quite fair to withdraw the conce sion in respect of the present loan.

as Cash repayments are prevented

A draft is accordingly put up.

Dewan

Smith 14-7-21

NOTE—Contn. sheet.

Serial No.

The balances at the credit of the Provident Fund represent actual cash investment and it seems only fair that we should give the subscribers the chance of investing such balances in the most paying security.

16.7.21

The investment is no doubt of cash subscriptions paid monthly but the balances to the credit of subscribers do not represent cash ie. cash at call. A subscriber has not the right to demand cash until he quits Service. In the meantime he can only take small advances but even these have to be repaid. So far as Govt is concerned there is not much advantage by allowing these balances to be transferred to the loan acct. The transfer increases the interest charge and the benefit is only in saving cash outgoings in the case of balances due for final repayt such as in saving some payts on acct of advances of these balance as stated in my

NOTE—Contn. sheet.

G. R S. III-2]

207/2E

3

General and Revenue Secretariat. | G.O. File No. 6 of 1921.

Serial No.

Note dt 14.7.21. As a Concession to the Fund Subscribers it is decided to permit investments in the T/C issue as well the draft requires revision as indicated in pencil.

MRL
17.7.21

Dewan) may be carried out in the manner suggested

MRL
18.7.21

To the Chief Secy.

MRL
18.7.21

Circulated
18/7

I am inclined to agree in the view that the funds should be invested in the most paying form of securities.

Peel
19.7.21.

NOTE—Contn. sheet.

The NEXT
(For Disposal at a Meeting)

No. C. 35

(47)

.....1926-22

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT.

(Clause xii of the schedule)

Permission to invest Provident Fund balances in the New Loan Bonds.

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

Offg. *Chief Secretary to Government.*

.....18th...July.....19.21.

Extraordinary Member of Council.

405-53
19.7.21

First Member of Council. opinion recorded
Peel
19.7.21.

467
19.7.21

Second Member of Council.

Third Member of Council.

5207

(5)

Subject. -

Permission to invest Provident Fund balances in the New Loan Bonds.

...

OPINION OF THE COUNCIL.

Note.

Investment in either loan might be permitted at the option of the purchaser -

hu
21/7

To the file as with compliments

hu
21/7/24.

Some draft as remarks pencil.
A clean draft may be placed in the file

Mrk
21.7.24

VS
21/7

Copy below sent to Translation Section

To the Comptroller Insp. Gas.
Notify no. 91 317 D 22.7.24
permits the investment in the new loans of 1924 of balances to the credit of subscribers in the State Provident Fund on the conditions noted thereon

FINANCIAL.

No. Fl. 1371—*G. F.* 289-19-47, *dated* 16*th August* 1920.

Government are pleased to permit the investment in the 6¼ per cent loan now on offer of balances to the credit of subscribers to the State Provident Fund on the following conditions:—

(1) The whole or any part, at the subscriber's option, of the balance on the 30th June 1920 together with interest thereon up to that date, may be invested in the 6¼ per cent bonds.

(2) The bonds thus purchased will be retained by Government and delivered to the subscriber on the date on which the balance due to him would become payable under the rules of the Fund. The half-yearly interest on the bonds will be credited to the subscribers Fund account..

(3) Optional subscribers who avail themselves of the concession allowed by this order, should not cease to subscribe to the Fund during the rest of their service.

(4) Advances that can be obtained under the rules will, in the case of subscribers part of whose balances is invested in bonds under this arrangement, be calculated with reference to the uninvested balance to their credit.

By Order,
M. N. KRISHNA RAO,
Financial Secretary to Government.

(16)

No Fe 317/G76-7 & 6½% LOAN OF 1921.
& 22nd July/21 6-21-36

ORDER NO. Fl.317../G.F.6-21-36

Dated Bangalore..22nd..July 1921.

Government are pleased to permit the investment (at the Subscribers option) either of the in the long term 6½% Loan announced in Notification No. Fl. 98/G.F.6-21-4 dated 9th July 1921 of balances to the credit of subscribers to the State Provident Fund on the following conditions:-

(1) The whole or any part, at the subscriber's option, of the balances on the 30th June 1921 together with interest thereon up to - that date may be invested in the 6½% Bonds on their behalf.

(II) The Bonds thus purchased will be retained by Government and delivered to the Subscribers on the date on which the balances due to them would become payable under the rules of the Fund. The half-yearly interest on the Bonds will be credited to the subscribers Fund accounts.

(III) Optional subscribers who avail themselves of the concession allowed by this - order, should not cease to subscribe to the Fund during the rest of their service.

(IV) Advances that can be obtained under the Fund Rules will, in the case of subscribers (part) of whose balances are invested in Bonds under this arrangement, be calculated with reference to the uninvested balance of their credit.

(2) Investment of Provident Fund Balances in in the Short Term 7% Loan will not be allowed.

14.7.21

Financial Secretary to Government.

17.7.21

To. compiler Mysore Gazette
Draught Section
Sdy to compln. press Table - Press room.

Memo 1817